United Nations DP/FPA/2018/8/Corr.1

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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UNITED NATIONS POPULATION FUND

UNFPA integrated budget, 2018-2021, revision

Corrigendum

Summary

The tables in this corrigendum of the UNFPA integrated budget, 2018-2021, revision (DP/FPA/2018/8), as well as the corrigenda to the annexes 1 and 2 of that document (posted on the UNFPA website), replace the corresponding tables in that document to reflect:

(a) changes stemming from the Executive Director's vision for the strategic repositioning in intergovernmental and multilateral affairs, as well as the strengthened humanitarian response (with overall budget-neutral effect), and

(b) an increase of $7.1 million to the institutional budget, resulting from a doubling of the UNFPA share to the resident coordinator system, in line with General Assembly resolution 72/279 (thus increasing the institutional budget from $701.1 million to $708.2 million for 2018-2021).

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The following tables, figures and annexes were updated to reflect:

(a) changes stemming from the Executive Director's vision for the strategic repositioning in intergovernmental and multilateral affairs, as well as the strengthened humanitarian response (with overall budget-neutral effect), and

(b) an increase of $7.1 million to the institutional budget, resulting from a doubling of the UNFPA share to the resident coordinator system, in line with General Assembly resolution 72/279 (thus increasing the institutional budget from $701.1 million to $708.2 million for 2018-2021).

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(Annexes to document DP/FPA/2018/8 and their corrigenda can be found on the UNFPA Executive Board website)

Annex 1. Additional information on financials and posts related to the UNFPA integrated budget revision, 2018-2021

Annex 2. Cost recovery – detailed information based on the current cost recovery methodology

I. Revised integrated budget, 2018-2021

A. Summary of the changes

1. The present corrigendum reflects the changes to the tables (and the accompanying annexes 1 and 2) stemming from the three key areas below. In addition, the elements of a decision are provided with the updated institutional budget appropriation amount.

Strategic repositioning in intergovernmental and multilateral affairs

2. In line with the Executive Director's vision for the UNFPA strategic repositioning in intergovernmental and multilateral affairs (released in May 2018), the organizational chart and corresponding information on financials and posts have been amended to reflect the discontinuation of the Division of Governance and Multilateral Affairs (GMA) as a separate unit and the corresponding redeployment of posts and financial resources to other units. There is no financial impact on the overall budget components; however, the changes to cost classification within the institutional budget (from management to development effectiveness) and the resulting changes to the cost recovery calculations are reflected in the respective tables and annexes, in line with the Executive Board approved cost classification methodology.

Strengthened humanitarian response

3. In an increasingly complex world defined by recurrent political crisis, climate change induced national and regional fragility, vulnerability and violent protracted conflict, the UNFPA humanitarian portfolio must be strengthened to be fit for purpose in achieving the Sustainable Development Goals and leaving no one behind. In recognition of this global context, the organization's humanitarian work is integrated across the four outcomes of the UNFPA strategic plan, 2018-2021.

4. As part of the overall humanitarian response by United Nations development system, and to align the organization with the United Nations Secretary General's reform efforts in delivering as one, UNFPA is positioning itself to be better prepared for complex challenges and emerging opportunities and to allow for transformational shifts in achieving the Sustainable Development Goals. UNFPA is ready to manifest its value and collaborate more strongly and with more coherence at the nexus between humanitarian, development, and peacebuilding work streams and actors. For the organization to be able to do so, it is imperative to strengthen its humanitarian architecture, leadership, expertise and funding so that UNFPA becomes an even more effective humanitarian actor saving lives and supporting governments and communities to be prepared for and respond to emergencies, and to build back better.

5. Based on operational analysis and evaluations, UNFPA proposes to further strengthen the current architecture through the establishment of a humanitarian office led by a director at the D2 level. The establishment of the D2 post will be accommodated within existing budget by re-profiling the previous DGM Director post. The proposal aims to enhance the humanitarian communication and fundraising functions in New York and strengthen the programmatic, operational and technical capabilities in Geneva. The proposal is part of the organization's continued efforts to mainstream humanitarian work, as previously presented by management during the informal briefings to the Executive Board in February 2018, which was subsequently part of the Executive Briefs on the Comprehensive Resources Review carried out by UNFPA. The Humanitarian Office will lead the organizational scale-up of its operational humanitarian preparedness and response delivery and the institutional action needed to deliver it in an effective and accountable way. The office will advance the mainstreaming of humanitarian preparedness across all institutional work streams, in line with the strategic plan, ensuring preparedness, resilience and delivery across the humanitarian-sustainable development-peace nexus while also scaling up its capacity to deliver in acute crises and complex emergencies.

6. There is no financial impact on the overall budget components as the proposal is realized through redeployment of existing positions within UNFPA. The organizational chart and corresponding financial and post information have been amended accordingly.

United Nations development system coordination

7. The currently approved resources for 2018-2021 amount to $9.4 million and constitute the UNFPA share of contributions to the resident coordinator system, as per the currently agreed cost-sharing formula and estimates provided by the United Nations Development Operations Coordination Office.

8. Following General Assembly resolution 72/279, requesting a doubling of the current United Nations Development Group cost-sharing arrangement among United Nations development system entities, the Secretary General's initial implementation plan clarifies that all entities should double their agreed contributions under the current UNSDG cost-sharing arrangement in 2019. Further work is envisaged on updating the cost-sharing formula for 2020 and beyond.

9. Given the above clarification, UNFPA proposes an increase of $7.1 million to the institutional budget, which represents double its share for three years (2019-2021), based on the current cost-sharing arrangement. This would ensure compliance with general Assembly resolution 72/279. Depending on the outcome of the updated cost-sharing arrangements beyond 2019, UNFPA may seek further budget revisions in the future.

10. The proposal increases the institutional budget revision from $701.1 million to $708.2 million for 2018-2021; this is $0.2 million lower than the originally approved budget for 2018-2021 ($708.4 million).

B. Integrated resource plan

Table 1. Integrated resource plan, 2018-2021 – revised

(in millions of dollars)

1. Resources available	Integrated budget, 2018-2021 - DP/FPA/2017/10/Corr.1					Integrated budget, 2018-2021 (revised - Corr.1)				
	Regular resources	Other resources		Total resources	Percentage of total	Regular resources	Other resources		Total resources	Percentage of total
		Programme	Cost recovery				Programme	Cost recovery		
Opening balance [a]	0.1	416.4		416.5		48.5	458.8		507.3	
Income										
Contribution-gross	1,400.0	2,000.0	-	3,400.0		1,400.0	2,100.0	-	3,500.0	
Other [b]	20.1	-	-	20.1		19.9	-	-	19.9	
Total income	1,420.1	2,000.0	-	3,420.1		1,419.9	2,100.0	-	3,519.9	
Less tax reimbursement [c]	(23.8)	-	-	(23.8)		(23.8)	-	-	(23.8)	
Total available	**1,396.4**	**2,416.4**		**3,812.8**		**1,444.6**	**2,558.8**		**4,003.4**	
2. Use of resources										
A. Development activities										
A.1 Programme [d]	830.7	2,194.1	(146.8)	2,878.0	*80.2%*	891.4	2,325.1	(155.6)	3,061.0	*81.2%*
A.2 Development effectiveness	141.0			141.0	*3.9%*	139.4			139.4	*3.7%*
Total development	971.8	2,194.1	(146.8)	3,019.0	*84.2%*	1,030.8	2,325.1	(155.6)	3,200.3	*84.9%*
B. United Nations development coordination	9.4			9.4	*0.3%*	16.6			16.6	*0.4%*
C. Management activities										
C.1 Recurring costs	386.8	0.0	143.9	530.8	*14.8%*	372.6	-	152.5	525.1	*13.9%*
C.2 Non-recurring costs	4.3		2.9	7.2	*0.2%*	4.1		3.1	7.2	*0.2%*
Total management	391.1	-	146.8	538.0	*15.0%*	376.7	-	155.6	532.3	*14.1%*
D. Special purpose										
D.1 Premises capital plan	-	-	-	-	*0.0%*	-	-	-	-	*0.0%*
D.2 ICT transformation	20.0			20.0	*0.6%*	20.0			20.0	*0.5%*
Total special purpose	20.0	-	-	20.0	*0.6%*	20.0	-	-	20.0	*0.5%*
Total use of resources (A+B+C+D)	**1,392.3**	**2,194.1**	-	**3,586.4**	***100.0%***	**1,444.1**	**2,325.1**	-	**3,769.2**	***100.0%***
3. Net amounts from/(to) reserves [e]	**(3.1)**	-	-	**(3.1)**		**0.5**	-	-	**0.5**	
4. Balance of resources (1-2+3)	**1.1**	**222.3**	-	**223.4**		**1.1**	**233.7**	-	**234.7**	

a/ Regular resources opening balance for 2018 has been revised as per 2017 financial statements, other resources have been revised based on funds received and available for programming.

b/ Includes interest and miscellaneous income.

c/ Adjustment for tax reimbursements to staff who are nationals of one Member State.

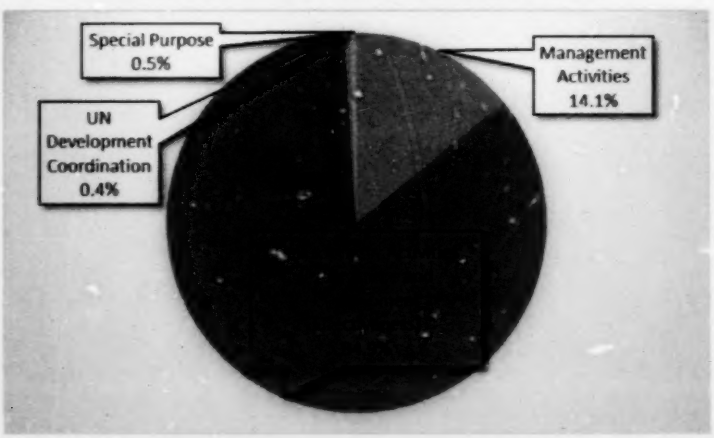
d/ 'Other resources - Programmes' reflects total programme expenses as per financial statements, the cost recovery is offset to enable a comparison with the estimates in the budget document.

e/ Includes adjustments to the operational reserve as per financial regulations and rules and transfers from previous periods.

Note: approved 2018-2021 figures are presented based on decision 2017/24 which reflects the adjusted budget as per DP/FPA/2017/10/Corr.1.

Note: Figures in this table and in other tables in this document are rounded to the closest decimal, therefore, they may not add up.

Figure 2. Allocation of available resources, 2018-2021 – revised



C. Integrated budget components

1. Programmes

Table 2. Programme resources by component, revised 2018-2021

(in millions of dollars)

1. Resources available	Integrated budget, 2018-2021 - DP/FPA/2017/10/Corr.1					Integrated budget, 2018-2021 (revised - Corr.1)				
	Regular resources	Other resources		Total resources	Percentage of total	Regular resources	Other resources		Total resources	Percentage of total
		Programme	Cost recovery				Programme	Cost recovery		
Summary programme										
Country programme	656.9	2,194.1	(146.8)	2,704.1	*75.4%*	716.5	2,325.1	(155.6)	2,886.0	*76.6%*
Global and regional interventions	153.9	-	-	153.9	*4.3%*	152.5	-	-	152.5	*4.0%*
Emergency fund	20.0	-	-	20.0	*0.6%*	22.5	-	-	22.5	*0.6%*
Total programme	**830.7**	**2,194.1**	**(146.8)**	**2,878.0**	***80.2%***	**891.4**	**2,325.1**	**(155.6)**	**3,061.0**	***81.2%***

2. Institutional budget

Table 4. Institutional budget, 2018-2021 – revised

(in millions of dollars)

1. Resources available	Integrated budget, 2018-2021 - DP/FPA/2017/10/Corr.1					Integrated budget, 2018-2021 (revised - Corr.1)				
	Regular resources	Other resources		Total resources	Percentage of total	Regular resources	Other resources		Total resources	Percentage of total
		Programme	Cost recovery				Programme	Cost recovery		
Summary institutional budget										
A.2 Development effectiveness	141.0	-	-	141.0	*3.9%*	139.4	-	-	139.4	*3.7%*
B. United Nations development coordination	9.4	-	-	9.4	*0.3%*	16.6	-	-	16.6	*0.4%*
C.1 Management recurring costs	386.8	-	143.9	530.8	*14.8%*	372.6	-	152.5	525.1	*13.9%*
C.2 Management non-recurring costs	4.3	-	2.9	7.2	*0.2%*	4.1	-	3.1	7.2	*0.2%*
D.1 Special purpose - Premises capital plan	-	-	-	-	*0.0%*	-	-	-	-	*0.0%*
D.2 Special purpose - ICT transformation	20.0	-	-	20.0	*0.6%*	20.0	-	-	20.0	*0.5%*
Total	**561.5**	**-**	**146.8**	**708.4**	***19.8%***	**552.6**	**-**	**155.6**	**708.2**	***18.8%***

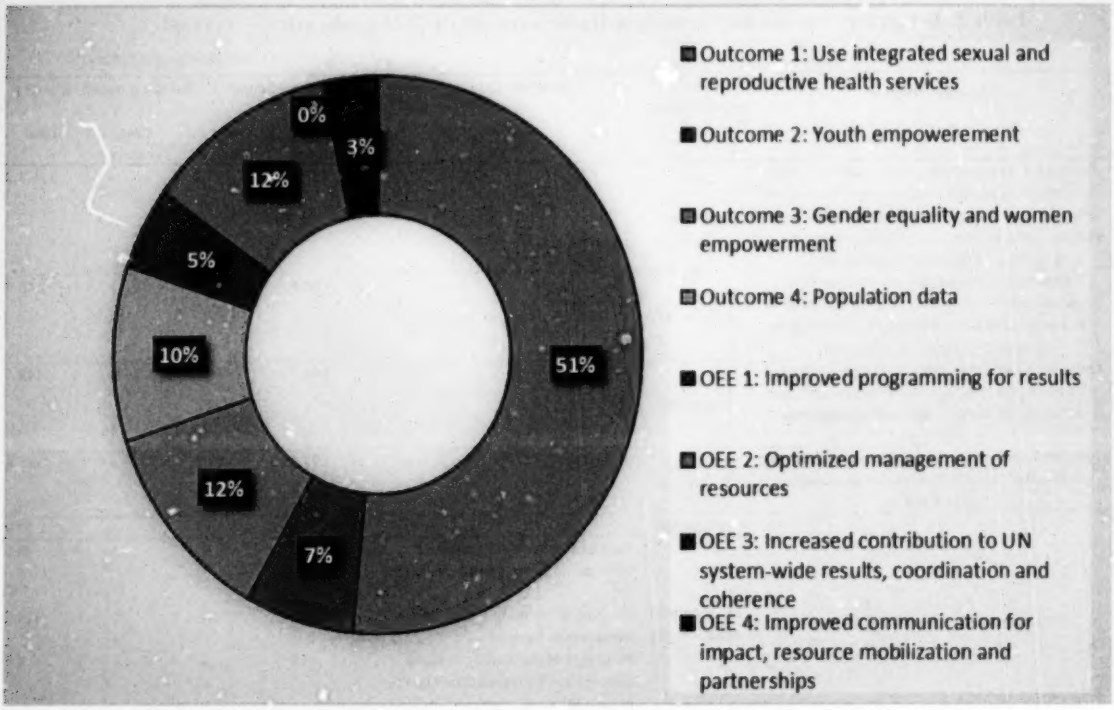
D. Integrated results and resources framework

Table 5. Integrated results and resources framework, 2018-2021 (indicative) – revised

(in millions of dollars)

Outcome / Output	Cost classification	Functional cluster	Integrated budget, 2018-2021 (revised - Corr.1)			
			Regular resources	Other resources	Cost recovery	Total
Outcome 1: Every woman, adolescent and youth everywhere, especially those furthest behind, has utilized integrated sexual and reproductive health services and exercised reproductive rights, free of coercion, discrimination and violence	Programme		**449.9**	**1,491.2**	-	**1,941.1**
Outcome 2: Every adolescent and youth, in particular adolescent girls, is empowered to have access to sexual and reproductive health and reproductive rights, in all contexts	Programme		**108.6**	**140.3**	-	**248.9**
Outcome 3: Gender equality, the empowerment of all women and girls, and reproductive rights are advanced in development and humanitarian settings	Programme		**107.5**	**340.7**	-	**448.1**
Outcome 4: Everyone, everywhere, is counted, and accounted for, in the pursuit of sustainable development	Programme		**197.9**	**183.7**	-	**381.6**
OEE1: Improved programming for results	Programme		17.6	10.3	-	27.9
	Development effectiveness	Technical expertise for effective response to development challenges	10.0	-	-	10.0
		Programme planning, policy and management support	124.5	-	-	124.5
		Procurement and quality-assured supply base for reproductive health commodities	4.9	-	-	4.9
	Management	Corporate evaluation	7.9	-	4.8	12.7
Total			**164.9**	**10.3**	**4.8**	**180.1**
OEE2: Optimized management of resources	Programme		3.1	0.4	-	3.4
	Management (recurrent costs)	Corporate oversight and assurance (internal and external audit and investigations)	22.2	-	12.3	34.5
		Corporate financial, information and communication technology and administrative management	42.8	-	25.5	68.3
		Field office oversight, management and operations support	209.7	-	72.5	282.2
		Staff and premises security	2.8	-	0.9	3.6
		Corporate human resources management	14.9	-	6.5	21.5
	Management (non-recurrent costs)		4.1	-	3.1	7.2
	Special purpose - ICT transformation		20.0	-	-	20.0
	Special purpose - premises capital plan		-	-	-	-
Total			**319.5**	**0.4**	**120.8**	**440.6**
OEE3: Increased contribution to the United Nations system-wide results, coordination and coherence	Programme		1.4	0.0	-	1.4
	United Nations development coordination		16.6	-	-	16.6
Total			**18.0**	**0.0**	-	**18.0**
OEE4: Enhanced communication for impact, resource mobilization and strategic partnerships	Programme		5.6	2.9	-	8.5
	Management (recurrent costs)	Leadership and corporate direction	23.5	-	8.0	31.5
		Corporate external relations and partnerships, communications and resource mobilization	48.8	-	22.0	70.9
Total			**77.9**	**2.9**	**30.0**	**110.8**
Total			**1,444.1**	**2,169.5**	**155.6**	**3,769.2**

Figure 3. Indicative allocations by outcomes and outputs, 2018-2021 – revised


0%
3%
12%
5%
10%
51%
12%
7%
Outcome 1: Use integrated sexual and reproductive health services
Outcome 2: Youth empowerement
Outcome 3: Gender equality and women empowerment
Outcome 4: Population data
OEE 1: Improved programming for results
OEE 2: Optimized management of resources
OEE 3: Increased contribution to UN system-wide results, coordination and coherence
OEE 4: Improved communication for impact, resource mobilization and partnerships

E. Summary of increases and decreases in the institutional budget

Table 7. Summary of changes, revised institutional budget 2018-2021

(in millions of dollars)

		Total	% increase /
I.	**2018-2021 institutional budget (approved)**	**708.4**	
II. a.	**Decreases**		
(i)	Comprehensive resorce review - headquarters	(11.5)	-1.6%
(ii)	Country office realignments	(2.3)	-0.3%
(iii)	Regional office adjustments	(0.4)	-0.1%
	Total decreases	**(14.2)**	**-2.0%**
II. b.	**Increases**		
(i)	Strengthened field offices	3.7	0.5%
(ii)	Strengthened PSEA coordination	1.4	0.2%
(iii)	Strengthened investigations function	1.3	0.2%
(iv)	Comprehensive resorce review - field offices	0.5	0.1%
	Total increases	**6.9**	**1.0%**
III.	**Net volume increases/(decreases) (II.a + II.b.)**	**(7.3)**	**-1.0%**
IV.	**Total 2018-2021 institutional budget (revised)**	**701.1**	
V.	**Increased contribution to RC system**	**7.1**	
VI.	**Total 2018-2021 institutional budget (revised - Corr.1)**	**708.2**	
VII.	**Estimated income to the institutional budget**	**(155.6)**	
VIII.	**2018-2021 net institutional budget (VI + VII)**	**552.6**	

II. Elements of a decision

11. The Executive Board may wish to:

(a) *Take note* of the revised UNFPA integrated budget, 2018-2021 (DP/FPA/2018/8) and its corrigendum (DP/FPA/2018/8/Corr.1), in response to decision 2017/4, and its alignment with the approved UNFPA Strategic Plan, 2018-2021 (DP/FPA/2017/9);

(b) *Welcome* the improved results focus and the enhanced linkages with the strategic plan results and harmonized methodology and presentation, including cost classification, attribution and recovery;

(c) *Take note* of the results and resource requirements in the UNFPA integrated budget estimates for 2018-2021, including linkages of results and resources, as contained in documents DP/FPA/2018/8 and DP/FPA/2018/8/Corr.1;

(d) *Approve* the presentation of activities and associated costs reflected in documents DP/FPA/2018/8 and DP/FPA/2018/8/Corr.1;

(e) *Also approve* gross resources in the amount of $708.2 million, representing the revised institutional budget estimates for 2018-2021, noting that these estimates include an amount of $155.6 million for indirect cost recovery from other resources;

(f) *Authorize* $152.5 million of the projected regular resources, as a revised ceiling for global and regional interventions for 2018-2021, noting that this amount cannot be exceeded without approval by the Executive Board;

(g) *Recall* Executive Board decision 2015/3, *approve* a revised amount of $22.5 million of regular resources for the UNFPA emergency fund, and *reaffirm* the existing authorization for the UNFPA Executive Director to increase the emergency fund by up to $2 million beyond the ceiling in a given year if the number and extent of the emergencies so warrant;

(h) *Endorse* the proposal of the UNFPA Executive Director, similar to decisions 2008/6, 2012/13, 2013/32 and 2017/24, *decide* to grant exceptional authority during 2018-2021 to access up to an additional $5.4 million in regular resources for security measures, provided these are used for new and emerging security mandates, as defined by the directives of the United Nations Department of Safety and Security, and *request* UNFPA to report to the Executive Board on the use of those funds in its annual statistical and financial review.

(i) *Also endorse* the proposal of the UNFPA Executive Director and *approve* the use of the existing Reserve for Field Accommodation for headquarters premises until the establishment of the Premises Capital Plan.